

DD/A Registry

File 222119

DDA 75-0684

11 February 1976

MEMORANDUM FOR: Chief, Information Systems and Analysis Staff

SUBJECT : Transfer of Copier Management from ISAS to
OL/P&PD

1. On 9 February 1976 the DDA approved the transfer of the Copier Management Program from ISAS to OL/P&PD as has been discussed previously by DDA and OL representatives.

2. Mr. Blake stipulated in his approval that while he had no objection to OL approving requisitions for new copier equipment in any instance where they felt competent to do so, he desires that disapprovals of such requests remain the responsibility of the O/DDA. It is requested, therefore, that in any instance where P&PD feels that a request for copier equipment not be approved, the appropriate paperwork be forwarded to Chief, ISAS with that recommendation.

3. It is requested that OL and ISAS proceed with the determination of an effective date of the transfer of the function and the one position with incumbent that is involved.

STATINTL

Assistant for Information

cc: Director of Logistics

Atts: DDA 75-5131 & 75-3786

AI/DDA: ydc (11 February 1976)

Distribution:

Original - Addressee

1 - D/Log w/o atts.

✓ - DDA Subject w/atts.

1 - HGB Chrono w/o atts.

STATINTL

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

Assistant for Information

EXTENSION

NO.

DATE

14 JAN 1976

STATINTL

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

MR. McMAHON

1/14

1/20

[Handwritten signature]

2.

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Attached are the papers I mentioned at the 8:15 on Monday dealing with the proposal to transfer the responsibility of copier management from ISAS to P&PD. When this subject first came up, I strongly endorsed the transfer. I am not now as convinced as I was then. I think there is the possibility that the "pros" of freeing some ISAS professional manpower for other tasks might be offset by the "con" of a decreased level of attention being given to the problem.

As illustrated by the chart I showed you the other day, this copier problem is big business and even though we have suffered setbacks because of the unusual copy requirements of 1975, I think we should still push control most vigorously. Whether OL is in as strong a position to do this as is O/DDA is very debatable.

Should you desire, Cal and I would be happy to discuss this matter with you after you have had a chance to look at these papers.

STATINTL

Att: DDA 75-5131 & 75-3786

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SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM
UNCLASSIFIED CONFIDENTIAL SECRET

OFFICIAL ROUTING SLIP

TO	NAME AND ADDRESS	DATE	INITIALS
1	AI/DDA		
2			
3			
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5			
6			

<input type="checkbox"/> ACTION	<input type="checkbox"/> DIRECT REPLY	<input type="checkbox"/> PREPARE REPLY
<input type="checkbox"/> APPROVAL	<input type="checkbox"/> DISPATCH	<input type="checkbox"/> RECOMMENDATION
<input type="checkbox"/> COMMENT	<input type="checkbox"/> FILE	<input type="checkbox"/> RETURN
<input type="checkbox"/> CONCURRENCE	<input type="checkbox"/> INFORMATION	<input type="checkbox"/> SIGNATURE

Remarks:

Hal -

The attached correspondence relates to an ISAS proposal to transfer the management of Agency copiers to OL/P&PD, as the logical component to handle copiers and to free Records Branch assets for its primary task of records management, and P&PD's acceptance of the proposed if a GS-6 position and its incumbent are transferred with the responsibility.

ISAS is willing to accept this condition. The job now consumes the full time of one GS-13 and one GS-11 officer and considerable attention of one GS-15, in addition the the GS-6 clerk. Even with
(over)

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FROM: NAME, ADDRESS AND PHONE NO.	DATE
C/ISAS	1/12/76

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the loss of the GS-6 we will be ahead of the game.
(The loss of the GS-6 will be accommodated when
we consolidate the ISAS branches.)

I solicit your opinion, and that of the front
office, to this proposal.

A handwritten signature, possibly reading "C. L.", in dark ink.

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28 OCT 1975

MEMORANDUM FOR: Assistant for Information, DD/A

SUBJECT : Transfer of Copier Management from ISAS to OL/P&PD

REFERENCE : Memo dtd 11 Aug 75 to Acting DD/A fr C/ISAS, subject:
Office Copiers

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1. [] recommendation that the management of Agency copiers be transferred from the Information Systems Analysis Staff (ISAS) to the Office of Logistics, Printing and Photography Division (P&PD), is accepted with the following clarifications:

a. At least one position must be transferred to P&PD to enable a maintenance of activities presently performed jointly by ISAS and P&PD. A minimum transfer would be the GS-06 position on ISAS to P&PD. The ISAS position is now devoted full time to the clerical work associated with monitoring copier use. Preferably, the incumbent of this position would also be transferred due to her accumulated experience with this subject.

b. Deputy Director for Administration (DD/A) support may be required to control copier activities in certain areas of the Agency.

17A9 c. P&PD, with the support of ISAS, will require component Records Management Officers (RMO's) to do much of the basic spadework in analysis and justification. P&PD will provide technical assistance and the final review and technical judgment.

2. The professional effort necessary to provide administrative and technical oversight has been split between ISAS and P&PD. Until recently, ISAS dedicated a full-time GS-12 level position to the program. Approximately 50 percent of a GS-12 level P&PD position was also required. This arrangement resulted in some duplication; e.g., meetings with vendors, equipment examination, and overlapping liaison with copier users in the Agency.

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3. Much of the effort in ISAS over the past year was expended in developing the inventory, the systems for centralized collection and analysis of basic data on copier use and costs, and the necessary coordination procedures with key personnel such as component RMO's. This effort has reached a plateau which, although not perfect in execution, has presumably satisfied management that a necessary degree of control has been established. Although these activities will require some nurturing, it is now more a question of maintenance rather than the concerted initial effort. I, therefore, feel that a reasonable level of ongoing support can be provided by P&PD without the transfer of a professional position.

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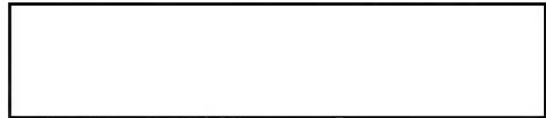
4. Attachment 1 to [] memorandum lists a number of activities that are required for a reasonable copier management program for the Agency. Items 1 through 3 relate to inventory and costs. These are essentially clerical tasks, with some professional supervision. Items 4 and 5 relating to survey, i.e., systems analysis of new requests and review of ongoing usage, require the most professional manpower. If P&PD, with the support of ISAS, can call upon component RMO's to do much of the basic spadework in analysis and justification, P&PD can provide final review and technical judgment.

5. Most of the successes in the existing program have been achieved through customer acceptance of sound technical and economic advice, often mixed with a fair amount of persuasion. We anticipate times when blatant disregard for economics or technology will require management support at the DD/A level to avoid costly mistakes. I am sure that this support will be forthcoming. The remaining items on the list in Attachment 1 are either already being accomplished by P&PD or are attainable with a minimal level of professional support.

6. There are several advantages to P&PD management of this program. Continuity in customer relations and technical competence can better be achieved in the line organization. The technical line between copier/duplication and printing is rapidly blurring. The Xerox 9200, recently installed in P&PD, is a copier/duplicator and also a major "printing system." We have office copiers, new printing systems such as the Xerox 9200, duplicating presses, printing presses, COM (Computer Output Micro-film) and hard copy printing from computer tape (Xerox 1200). Options are many. The choice of the correct option becomes critical both

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economically and in recognition of Agency requirements. Centralized management and control of these functions, although not absolute control in recognition of those continuing special and unique requirements that do arise, does make sense. STATINTL



Michael J. Malanick
Director of Logistics

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11 August 1975

MEMORANDUM FOR: Acting Deputy Director for Administration
SUBJECT: Office Copiers

1. For more than a year, the Records Administration Branch, ISAS, with assistance from the Systems Staff, P&PD, has been developing a program for managing the Agency's copiers. Now that a data base has been established and procedures developed, it is recommended that the Office of Logistics take full control of this effort so that Records Administration Branch can devote its limited resources to its primary responsibility for managing the Agency's records systems and conducting records surveys.

2. A chronology of events relating to the copier problem and a list of items which, in my opinion, is essential to a successful program are attached for your information and consideration.

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Chief, Information Systems Analysis Staff

Attachments:

1. Activities That are Essential to a Copier Management Program
2. Report on Office Copiers

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TAB

ACTIVITIES THAT ARE ESSENTIAL TO A COPIER MANAGEMENT PROGRAM

1. Maintain an inventory of all copiers in use in the Agency. The inventory should be listed:

- a. By Manufacturer and model,
- b. By location,
- c. By component, and
- d. By rental number.

2. Maintain monthly volumes on each copier. (One method is to have all meter cards pass through a central point in the Agency prior to going to the vendors so that the meter readings can be recorded.)

3. Maintain annual cost of copiers and related supplies so that comparisons can be made with prior years to evaluate the copier management program.

✓ 4. Survey the requirements for all requested copiers. Establish the need for and recommend the copier best suited for each application.

✓ 5. Continue to review copiers currently in use and recommend changes where necessary to reduce cost and/or do a more efficient job.

6. Keep current with developments in copier industry and investigate all new copiers that seem to have applications in the Agency by visiting vendors' showrooms for demonstrations on testing copiers in house.

7. Prepare comparative cost and utilization charts on the various copiers that have applicability in the Agency.

8. Maintain liaison with copier sales representatives and interface with these representatives and Agency personnel. Maintain information on copiers so that Agency personnel will have a contact point for copiers without going direct to vendors.

9. Distribute information on copiers and CIA copier use to Directorate Copier Representatives, Records Management Officers and other Agency employees as appropriate.

10. Keep Agency employees and all levels of management aware of the problem and of possible solutions by reporting progress, by putting posters on bulletin boards, by writing articles for newsletters and other Agency publications, by writing memos and notices to all Agency personnel and by speaking at training courses.

TAB

OFFICE COPIERS

1. According to available records, concern for the uncontrolled use of copying machines in the Agency was first voiced by the Office of Planning, Programming and Budgeting (OPPB) in June 1968. OPPB developed a Copy Machine Study as an adjunct to the Agency-wide Communication Study Commissioned by the Executive Director, (DDS 68-3159). The study called attention to the rapid growth of copiers and predicted that unless some controls were established on the use of copiers, the cost would exceed one million dollars by 1972. The DD/S response to the study recognized the problem but concluded that controls over the use of copying machines must be with the Directorates. He did, however, offer the assistance of the Records Administration Branch (RAB) and the Office of Logistics, OL. (DD/S 68-3659)

2. From June 1968 to September of 1972, there was little indication that the Directorates had asserted any control over copier utilization and expenditures increased from \$500,000 to more than a million dollars per year as predicted. This spectacular growth in copying volume and related cost remained the concern of OL/P&PD. However, P&PD had no regulatory power over the rental or purchase of copiers, but rather, it has served since 1954 only as a technical advisor on requests for printing and reproduction equipment. Although RAB's services were offered by the DDS, the Branch was not assigned any responsibility for copiers until much later. Coupled with this lack of controls was the introduction of

the Xerox model 4000 in August 1971 and the tactics used by the Xerox salesmen to rent it to Agency components. The Xerox salesmen had lists of Agency employees' names and phone numbers, locations of current Xerox equipment and locations of competitive copiers. (Many of the employees were under cover and some of the locations were classified.) They contacted each user directly and persuaded many to upgrade their equipment to the new Model 4000.

3. In November 1972, the DDS made the Executive Director-Comptroller aware of the copier problem and recommended that the CIA Records Management Board look into it and develop more efficient procedures for management of copying operations. The recommendation also stated that the management of copying operations is an appropriate function of the Office of Logistics. The Executive Director-Comptroller approved the recommendation with enthusiasm. (DDS 72-4205)

4. RAB's involvement with the management of copiers started in February 1973 when the CIA Records Administration Officer, who was also Chairman of the CIA Records Management Board, included copiers as part of the Annual Inventory of Records Volumes and Equipment. Inventories were prepared from the reports and for the first time since the OPPB study in 1968 there was a centrally located record of copiers in the Agency.

5. The next step was to review the use of each copier. Two programs were undertaken to collect usage information: (1) all Xerox meter cards were directed to be sent to RAB so meter readings could be recorded

prior to mailing the cards to the vendor [] and (2) in cooperation with Xerox, a week-long usage survey was conducted of each copier (DDM&S 73-4172). The meter cards have been collected by RAB since 1973 and monthly volume statistics are available on most rented copiers. The survey of usage started in November 1973 and was concluded in April of 1974. STATINTL

6. The DDM&S was personally concerned about the use of copiers and asked for a preliminary report on RAB's progress through 31 December 1973. A sampling was made which showed that during the last three months of CY 73 there was a decline of 11.3% in the total number of copies reproduced over the previous three months. Also, an analysis was made of the Xerox paper consumption which showed a decline of 15.3% in the same time frame. At the direction of the DDM&S, a campaign was conducted to increase the utilization of the two-side copy feature on the Xerox Model 4000. In December 1973 posters furnished by Xerox were put on all 4000's.

7. Cost analyses were made of the various copiers and charts were prepared comparing the per copy costs of this equipment. Meetings were held with vendors to discuss possible alternatives to existing copiers. The cost charts and literature on the various types of copiers were disseminated to the Agency's Records Management Officers.

8. The use or misuse of copiers drew considerable attention during the paper shortage crisis and the Energy Conservation Programs. Reducing copier usage was specifically mentioned in [] dated September STATINTL

1973 on Conservation Programs, from the standpoint of energy and paper conservation. The centralization of reproduction machines and the reduction of copies reproduced were specifically spelled out in correspondence from the DDM&S to the Director of Logistics in February 1974. (DDM&S 74-0709 & 74-0486)

9. One major reason for the oversell and in many instances overkill by Xerox, was the direct hard sell approach to Agency personnel from the secretarial to the Division Chief level, or for that matter to anyone who would listen. Other vendors were using the same tactics to a lesser degree and many Agency employees complained to the Office of Logistics. These complaints were about IBM and SCM as well as Xerox. The sales representatives representing these firms had names and phone numbers of Agency personnel and used every excuse to get into the offices. The main purpose, of course, was to sell or rent additional or bigger and better copiers. To overcome this problem, RAB prepared a memorandum from the DDM&S to the Deputy Directors for Intelligence, Operations, Science and Technology and DDM&S Office Directors advising all Agency employees to refer calls from copy machine vendors to RAB and stating that potential users should not contact vendors direct. This action improved the situation to some extent, however, Xerox sales representatives continued their attempt to sell and the IBM representatives who had obtained Agency Badges for other purposes, were using the free access to sell copiers. The smaller vendors, SCM, Saxon, Savin, Apeco, 3M, Cannon, and others conformed to the new policy and only contacted RAB or P&PD. The situation with Xerox improved considerably when the sales representatives to the Agency changed in March

1975, and the problem with IBM has eased since the badges were taken away from their sales representatives in April 1975.

10. In January 1974 the Chief, ISAS worked out an informal agreement with the Chief, P&PD for RAB to review jointly with the Systems Staff, P&PD all requests for copiers. During the period January-June 1974, RAB received 40 requests, 10 for new applications and 30 for replacements. Each request was carefully reviewed by RAB and recommendations were made to C/ISAS. During this same period, a review was made of existing copiers that were obviously not being used or were being misused. This review resulted in the relocation of seven existing copiers and the cancellation of contracts for six Xerox copiers. The six cancelled consisted of one Model 7000, two 2400's, one 3600 III, one 4000 and one 660.

11. A Copy Center was established by RAB, in February 1974, in Room 2E37, Headquarters Building. The Center was to be used by DDO/FR/ OJCS, CRS, OIG, OL/RECD/HEB, OTR, Regulations Control Branch and ISAS. It was established as a model to test the Copy Center concept for use throughout the Agency and to evaluate equipment by RAB. Since a full report of the Copy Center has already been prepared, it will not be repeated here. The Center has proven successful and has been useful to RAB in testing various copiers.

12. In May 1974, members of RAB and the Office of Finance met with Xerox representatives to discuss testing a two-ply meter card which would result in a summary billing system for all Xerox copiers rented by

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the Agency. This new system offered many advantages to the Agency, so RAB with the concurrence of O/Finance agreed to test the card for six months starting in October 1974. The Agency did not receive all of the benefits expected from the cards and related system during the test period because Xerox did not make all the changes in the billing system that were promised. Some benefits were realized. At the end of the test period in March 1975, we agreed to continue with the two-ply card because of its potential and because Xerox again promised to fulfill the original agreement. Three months after the test period there were still many problems and it was decided that RAB could not continue to devote manpower to develop a system that appeared to have little chance of success. Therefore, the C/ISAS asked Xerox to review the status of the two-ply meter card system. RAB has been notified informally by Xerox representatives that the new card will be discontinued.

13. RAB's involvement in office copying equipment management was formalized under DCI Objective A57002 which called for managing the utilization of copier/duplicator equipment, including rental and supplies, to achieve an overall cost reduction of 8% in FY 1975, measured in terms of FY 74 dollars. The responsibility for approval and management of office copying equipment was formally assigned to the C/ISAS by issued in August 1974. Since the reduction was to be measured in terms of 1974 expenditures, RAB had to know the total cost to the Agency for copiers and related supplies during FY 1974. To establish this data base, the C/ISAS, in a memorandum to the Director of Logistics, dated 7 June 1974, requested the 1974 cost figures for copiers and

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supplies and for a quarterly report of these same costs during FY 75. This information was not readily available in OL so the Director of OL sent a memorandum (OL4-3204) to each Deputy Director, each DDA Office Head and the DCI Administrative Officer requesting the needed information. The Plans and Program Staff/OL was assigned the responsibility of pulling this information together into a usable report. There was such an uproar from several components that the C/ISAS in a memorandum dated 12 July 1974 withdrew the requirement for the quarterly report during FY 75. This data will be gathered by other means.

14. Due to the additional copiers found during the usage survey in late 1973 and early 1974, RAB had reason to believe that the inventories of copiers furnished in the 1973 annual Records Volume and Equipment report were not complete. To obtain a complete record of all copiers in the Headquarters area, two actions were taken by RAB: (1) Lists of copiers currently identified were prepared and forwarded to the component Records Management Officers for verification, and (2) RAB personnel went to the Rosslyn area, Chamber of Commerce Building,

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Building and actual inventory. Additional copiers were found and added to the inventory.

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15. After RAB was reasonably sure that the information was accurate, it was punched in tab cards. With this information on tab cards, RAB could easily have copier inventories printed in various formats. The 1 July 1974 inventory was printed three ways; (1) by manufacturer, which grouped the copiers by manufacturer and model by

serial number; (2) by component, which grouped the copiers by Directorate and Office or Staff; and (3) by location, which grouped the copiers by building and room number. Copies of these inventories were furnished to Systems Staff/P&PD/OL and to the Records Management Officers.

16. Using Fiscal Year 1975 catalogs and pricing information obtained from the various copier vendors, three charts were prepared comparing the costs of the copiers; one chart compared the per copy cost of various coated-paper and plain-paper copiers used or available for use in the Agency; one showed the monthly rental costs for plain-paper copiers at various volume levels; and the other showed the monthly rental costs for plain-paper copiers with sorters. These charts also included supply costs, monthly minimums and copier speed.

17. In RAB's continuing effort to get Records Management Officers involved in the management of copier utilization, copies of the cost charts and vendor catalogs were given to the RMO's. Meetings were held with RMO's and the problem with office copiers was explained with emphasis on the fact that reproducing the copy is only the beginning of the problem. Each copy that is made is usually read, sorted, stapled, routed, mailed, analyzed, copied, filed, retired, declassified, and destroyed or preserved.

18. Several actions were undertaken by RAB to make all Agency personnel and all levels of Agency management aware of the copier problem and of the DCI Objective to reduce costs. These actions were: (1) a memorandum from the DDA to all Deputy Directors and Heads of

Independent Offices dated 8 October 1974 (DDA 74-3814) stating the problem, recommending solutions and asking that a Copier Representative be named in each Directorate to work with RAB; (2) five posters reflecting the use and misuse of copiers in the Agency were displayed on bulletin boards during the period November 1974 through January 1975; (3) articles were printed in the Records Management Newsletter; (4) a seminar on copiers was conducted at the Annual Records Management Conference in October 1974, and (5) students in Records Management Training courses were briefed on the proper use of copiers.

19. Meetings were held with the newly appointed Directorate Copier Representatives and the copier problem was discussed and solutions recommended. Each representative was provided with cost and utilization information on all copiers in their areas and were asked to review the usage and recommend changes where warranted. The changes that were recommended by RAB were coordinated with them and they were asked to help implement the recommendations. There have been almost no changes recommended by the Copier Representatives nor have they been much help in implementing RAB recommendations. Although some Records Management Officers in the components have initiated actions, for the most part, they too have been unable to reduce their copier expenditures.

20. The failure to reduce copying cost was not due to a lack of "Top Level" support. The DCI specifically mentioned the reduction of copier expenditures in his memorandum to the Deputy Director and Heads

of Independent Offices on "fighting inflation" dated 8 November 1974. And two Deputy Directors, the DDO and the DDA, wrote to their Office Heads on the same subject and both specifically mentioned reducing copying cost. Either the word didn't get to the people responsible for copier management or they do not take the program seriously. Many Records Officers, Logistic Officers, and Support Officers still request and insist on copiers without regard to cost and need.

21. As RAB got more and more involved in the billing system and with the replacement and rearrangement of copiers, it was apparent that there was still one item of information needed when communicating with the Office of Finance and Office of Logistics. The needed information was the rental number of the copier which was added to the punched cards. A printout in rental number order was added to the January 1975 inventory, and the O/Finance and O/Logistics/Procurement Division were added to the list of components receiving the inventories. Xerox was also furnished a copy of the inventory dealing with their equipment since our records were more accurate than theirs. The list doesn't seem to have helped Xerox because the same incorrect information continues to be printed on bills and other listings received from them.

22. RAB has tested or sponsored testing of several copiers that seemed to have potential use in the Agency including the SCM 412 and 6740, the 3M Model VQC, the Saxon Model P-50 and PPC-1, the Savin Model 300, the AB Dick Model 901, the Apeco Model 200, the Xerox Model 4500, 6500 (color copier) and 3100 LDC. The Savin, the SCM 412 and 6740, the

AB Dick 901, the Apeco Model 200, and the Xerox 4500 were all rejected because they were too expensive or unreliable or both. The Saxon P-50 is a roll-fed coated-paper copier that has replaced 3M Thermofax copiers in one component and is used by two others because of the continuous roll capability. The Saxon PPC-1 is a plain paper copier that has replaced or is used in lieu of the Xerox 3100 and 4000. There are 12 Saxons now used in the Agency. The length of time in use varies from two months to one year and over. These have saved the Agency approximately \$5,000 over comparable Xerox copiers in FY 75. The 3M VQC is a reliable coated-paper copier and is used in the RAB Copy Center, CRS and NPIC. The Xerox Model 6500, color copier, was not cost effective as a convenience office copier. The one tested has been transferred to the Graphic and Visual Aids Staff/P&PD/OL and is effectively used as a graphics tool. The Xerox Model 3100 LDC is a special purpose machine to copy large documents up to 14 x 17 inches. There are two in use; one in P&PD for galley proofs and one in Space Maintenance/LSD/OL for large drawings and floor plans. In addition to the in-house testing of copiers, RAB personnel attended showroom demonstrations of the Pitney Bowes plain-paper copier, the Dennison copiers, the 3M color copier, the 3M Model VHR, and the Canon copiers. The Canon and Pitney Bowes copiers will be tested in-house in FY 76 when they go on GSA Schedule.

23. RAB has implemented and is monitoring an Employee Suggestion that calls for the retention by key operators of illegible copies made on Xerox copiers so that credit can be given by the Xerox Corporation. These credits are recorded on the machine meter card by the Service

Technicians. In the past, credit has only been given for copies run by the Technician while he is working on the machine. The unsatisfactory copies made as a result of minor problems not requiring the services of a technician or those made before he arrives have been destroyed in the past. RAB discussed the suggestion with Xerox representatives and arrangements have been made to receive credit for all poor copies brought to the attention of the Xerox Technicians. To implement the suggestion and to provide an estimate of savings, RAB sent a memorandum to each key operator describing the new procedures and will record the savings for the first two months of the program.

24. RAB personnel have attended shows, demonstrations, seminars, and discussed copier management with officials in other government agencies to become as knowledgeable and as experienced as possible in copier utilization and management. The Records Administration Officer in charge of the copier program attended a three-day conference given by the Institute for Graphic Communication and a two-day seminar given by the General Services Administration. Contact was established with the personnel in the Administrative System Division, Office of the Adjutant General, Department of the Army who are responsible for reviewing office copiers. RAB was put on distribution for copies of their Office Management Information Letters and Equipment Information Letters. These publications evaluate copiers and have been helpful to RAB. Discussions have been held with members of the National Archives and Records Service who are responsible for advising federal agencies on the proper use of

copiers. We have learned through these discussions that our current program is excellent. What we are lacking is the authority to enforce the concepts of the program that have been developed.

25. Several charts were prepared to show machine usage and distribution in the Agency. Some charts were used for the Bi-monthly management meetings and others were disseminated to Directorate Copier Representatives. The representatives wanted still more detail on the monthly usage of each machine and the total for their respective area. To satisfy this requirement, RAB added the monthly volumes for each rented copier to the punched cards and was able to print a listing that reflected the volume for each rented copier for January, February, and March 1975. The list also provided the totals for each Directorate and the Agency. The April, May and June volumes have been added so these statistics are available for the six month period January-June 1975.

26. RAB has encouraged and promoted the use of P&PD services for printing long runs and large jobs. Printing jobs that are not big enough to be run on a press, but are too big to be printed in an office, can be sent to P&PD in Headquarters Building and reproduced on P&PD copiers. This will not only save the office manhours required to run the copiers, but will save the Agency the difference between an average of \$.03 per copy on office copiers and \$.006 per copy in P&PD. This effort had results and the Xerox Model 3100 in P&PD was exchanged for a Model 3600I. The 3600I has made 954,892 copies since it was installed in August 1974.

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(OC) was asked to evaluate the proposal because of the high volume copiers in the Signal Center and the Cable Secretariat. OC rejected the proposal because of a concern about service after purchase and the fear that technological advances would make current copiers obsolete. After conversations with P&PD, RAB notified Xerox that the Agency would continue its rental policy. Early this year Xerox representatives again started talking about selling Xerox copiers to the Agency. RAB recommended that they prepare a formal proposal to present to Agency top management. On 5 June 1975 the Associate DDA, the Director of Logistics, the Chief, ISAS and an RAB Staff member went to the Xerox Training Headquarters in Leesburg, Virginia for a three-hour presentation on purchase versus rental of Xerox copiers. After considerable study and discussions between OL, ISAS and O/DDA personnel, the purchase proposal was rejected. The main reason was the fear of OL that Xerox or another company would come out with new bigger and/or better copiers that would make the purchased Xerox copiers obsolete.

29. During FY 1975, RAB reviewed 35 requests for copiers, 24 for replacements and eleven for new applications. Three of the new applications were for the FOIA effort and two were to support the Presidential Commission and Congressional investigation task forces. Recommendations made by RAB to cancel or modify these 35 requests had a possible annual cost avoidance of \$27,434. Five of these recommendations were accepted for an actual cost avoidance of \$15,782. Since these actions occurred at various times during FY 75 the actual FY 75 savings is only \$4,610. There are four recommendations still pending.

30. During FY 1975, RAB reviewed the usage of 56 existing copiers. Recommendations were made to cancel or replace 48 of these copiers for a possible annual savings of \$83,659. Twenty-three of these recommendations were accepted for an actual annual savings of \$48,732. Since these actions occurred at different times during the year, the actual FY 1975 savings were only \$23,522.

31. Next to establishing a data base and program for managing the utilization of copiers/duplicators in the Agency, RAB's greatest accomplishment during FY 75 was in holding the line on copier rentals. In the past, when a new Xerox model entered the market, Agency components immediately rented several, often without seriously evaluating the need. For example, when RAB started its review program there were twelve Model 7000's (the most expensive Xerox duplicator at \$675 per month minimum). Five have already been replaced with less expensive copiers and one has been recommended for replacement by a cheaper machine. Another example is the Model 4000 that was introduced in August 1971. In the first two years, there were 40 Model 4000's brought into the Agency. In July 1974, before the RAB review there were 53 Model 4000's and now there are 50. Since RAB has been involved, Xerox introduced the Models 3100 LDC, 4500 and 6500. There are only two 3100 LDC's, no 4500's and only one 6500 rented by the Agency today.

REPORT ON UNMANNED COPY CENTER

OPERATED BY THE RECORDS ADMINISTRATION BRANCH

1. After a lengthy search for space and much negotiating, an STATINTL unmanned Copy Center was finally opened in Room 2E37 in March 1974 using a Xerox 4000, a plain-paper copier, and an SCM 412, a coated-paper copier. In addition to ISAS, seven other components agreed to assist us in evaluating the Center concept. These included the Offices of the Inspector General, Director of Central Reference, DDO/[REDACTED] Director of Joint Computer Services, DDA Regulations Control Staff, OTR/OPS Training Program, and Headquarters Engineering Branch/OL. These two machines replaced a Xerox 2400 in OJCS, a Xerox 4000 in RCS and a Xerox 3100 in ISAS. Although D/CRS retained a purchased Xerox 813 and FR/[REDACTED] retained a Savin 220, the majority of their copying is now done in the Center. As a means of determining the number of copies made on the SCM 412 by each of the users, we installed an Auditizer, a device requiring the use of a "credit card" to activate the machine. The number of copies made by each user is recorded on a separate meter. This system began on 1 April 1974. Because of the high cost of installing this system on the Xerox 4000, we opted for the Auditron, a device which activates the machine by inserting a cartridge-type control into a receptacle. Unfortunately, we were not able to secure and install this device until 1 June 1974. With control devices on both copiers in the Center, the June volume decreased by 11,040 copies or 24 percent over previous months. The July volume increased slightly over June but was still less than earlier months. We are not naive enough to believe that this reflects a net reduction in copying by the users, but are convinced that control devices do reduce the number of copies made.

2. During Fiscal Year 1975 the type and model of the copiers in the Copy Center were changed as the requirements changed and to give RAB an opportunity to test different copiers. When the SALT Staff joined the Copy Center users, a sorter was needed. To satisfy this requirement, a Xerox Model 4500 was rented to replace the Model 4000. In addition to providing the needed sorter capability, this action gave RAB an opportunity to evaluate the Model 4500. The Model 4500 was not reliable nor cost effective. This, plus the increase in the volume copied in the Center, caused RAB to replace the Model 4500 with a Model 3600I. The SCM Model 412 was replaced by 3M Model VQC in October 1974 due to service problems.

3. As mentioned earlier, the test Center is unmanned. Since the equipment is operated by the customer, a variety of problems have been

identified. Machine breakdown, while not excessive, occurs frequently because of the number of operators each doing their own thing. Some supplies are being wasted, the proper machine isn't always used for the copying needed and the ability of the Xerox 4000 to do two-sided copy was frequently overlooked. In addition, the need for much of what is being copied is questionable. All of the operators have been trained in proper machine usage by the vendor and/or representatives of this Staff and periodic meetings are held to receive their comments and provide suggestions on improving the use of the Center. Another problem encountered is the reluctance of users to copy on the coated-paper copier. We believe this stems, not from the people actually operating the equipment but to a great extent from supervisors with a built-in reluctance to use coated-paper. Although the percentage of coated-paper copying has been increasing, emphasis from senior management throughout the Agency is essential to break with custom. This is a very real concern since coated-paper copy can be produced at one-half to one-third less than plain paper copy, depending upon the volume.

4. The success of this unmanned Copy Center is due to the fact that it is managed by RAB personnel. In any unmanned Center, someone has to be responsible for budgeting for the copiers, ordering supplies, keeping the room clean and orderly, and calling for the service technicians when the copiers malfunction. For this reason, unmanned Copy Centers would probably be more successful if all of the users were from the same office or division. The other alternative would be for the Office of Logistics to man and operate Copy Centers.

5. The concept of manned Copy Centers has been investigated with several possibilities available. One alternative would be to acquire a staff position for each Center and assign a full-time staff employee to operate the equipment. With current ceiling problems, this alternative seems remote. Another possibility would be to contract with a company to provide the services of a machine operator. This could be prohibitively expensive unless the Copy Center volume was very high. For instance, Dennison quotes a per-copy cost of \$.025 for 1-100,000 copies with a minimum charge of \$2,500 per month. Xerox charges are less specific since they prefer to tailor a program to the customers' needs and then quote a price. However, an estimate of \$3,000 to \$3,500 per month was quoted for a volume of 50,000 copies. Additionally, these firms are either reluctant to or refuse to use equipment in the Center other than their own which obviously limits the mixture of plain- and coated-paper copiers. Since the operators provided receive a small salary (approximately GS-04), turnover could be a problem with resulting additional expense to clear a replacement. A third possibility, and the one we think most reasonable, would be to hire part-time employees who would not count against ceiling to share the Center operation. This option

would provide personnel fully controlled by the Agency, operating equipment selected by the responsible Agency component. (This might be a way to use handicapped employees.)

6. The cost effectiveness of the Copy Center is difficult to evaluate because some of the users changed during the year, volumes increased dramatically these last six months as a result of FOIA and Investigation Task Force activity, and there was a several month delay in securing the new Auditron for the Xerox 3600. To simplify these calculations, we have assumed that during FY 75, each component copied the same percentage of the total fiscal year volume as copied in the month of June. Three tables have been prepared using these statistics and are attached.

- | | |
|--------------|--|
| Attachment A | <u>FY 75 Copy Center Volumes & Expenditures by Month and Copier.</u> |
| Attachment B | <u>Copy Center Cost Analysis for June 1975 by Component and Copier.</u>
The actual costs are pro-rated among using components and are compared to costs which would have been incurred had each component used its own Xerox copier which was best suited to the volume copied by that component. |
| Attachment C | <u>FY 75 Copy Center Analysis by Component.</u>
The actual FY 75 volumes are pro-rated among the users based upon their percentage of total June usage. Actual fiscal year usage by component is unknown since the Auditron was not in use for several months. |

Those components who used the Copy Center for a part of the fiscal year are included in Attachments B and C as "Other."

7. Both Attachments B and C show costs in the Copy Center to be less expensive than other arrangements. This is due primarily to the copier pricing structure. The minimum cost per copy on Xerox copiers averages about \$.04 and decreases as the volume increases. For example, the Model 3600-I starts at \$.0315 per copy and gradually decreases to \$.006 for all copies over 50,000. This can further be illustrated by the fact that two Model 4000's at 25,000 copies each per month will cost \$1,482, while the total 50,000 copies can be made on one Model 3600-I for \$1,101.

Attachments:
A, B, & C

FY-75 COPY CENTER VOLUMES & EXPENDITURES
BY MONTH AND COPIER

FY-75	XEROX 4000		XEROX 4500		XEROX 3600-I		SCM 412		3 M VQC II		TOTALS
	COPIES	COST	COPIES	COST	COPIES	COST	COPIES	COST	COPIES	COST	
JUL	26,492	\$ 864		\$		\$	9,281	\$112.05		\$	35,773
AUG	25,110	658					6,382	112.05			31,492
SEP			30,272	929			5,246	112.05			35,518
OCT			39,146	1115					2,742	25	41,888
NOV			38,220	1096					6,814	95	45,034
DEC			26,148	838					6,529	95	32,677
JAN					36,975	824			9,127	95	46,102
FEB					42,009	981			5,591	95	47,600
MAR					58,527	1152			13,193	95	71,720
APR					43,803	1008			12,442	95	56,245
MAY					35,078	877			8,294	95	43,372
JUNE					55,809	1132			8,643	95	64,452
TOTAL COPIES	51,602		133,786		272,201		20,909		73,375		551,873
TOTAL RENTAL SUPPLIES		\$1523 242		\$3978 628		\$5974 1361		\$336 418		\$ 785 1467	\$12,596 4,116
TOTAL COST		\$1765		\$4606		\$7335		\$754		\$2252	\$16,712

COPY CENTER COST ANALYSIS FOR JUNE 1975
BY COMPONENT AND COPIER

	COPIER	NUMBER OF COPIES	ACTUAL COST	COST ON SEPARATE COPIER	
ISAS	3600-I	18,445	\$ 451	3600-I	\$ 657
	3 M	5,466	180	Supplies	102
TOTAL		23,911	\$ 631		\$ 759
OJCS	3600-I	23,224	\$ 568	3600-I	\$ 680
	3 M	1,704	56	Supplies	107
TOTAL		24,927	\$ 624		\$ 787
CRS	3600-I	4,679	\$ 114	3100	\$ 193
	3 M	468	15	Supplies	30
TOTAL		5,147	\$ 129		\$ 223
FR	3600-I	1,987	\$ 48	660	\$ 63
	3 M	-0-		Supplies	10
TOTAL		1,987	\$ 48		\$ 73
HEB	3600-I	3,053	\$ 74	3100	\$ 135
	3 M	190	6	Supplies	18
TOTAL		3,243	\$ 80		\$ 153
SALT	3600-I	3,279	\$ 80	3100	\$ 135
	3 M	152	5	Supplies	20
TOTAL		3,431	\$ 85		\$ 155
OTHERS	3600-I	1,142	\$ 28	Any Xerox	
				Copier	\$ 54
	3 M	664	21	Supplies	10
TOTAL		1,806	\$ 49		\$ 64
OVERALL					
TOTALS	3600-I	55,809	\$1,363		
	3 M	8,643	\$ 283		
JUNE TOTALS		64,452	\$1,646		\$2,214

Cost Per Copy in Copy Center
Cost Per Copy on Separate Copier

\$.0255
\$.0343

FY-75 COPY CENTER ANALYSIS BY COMPONENT

COMPONENT	JUNE VOLUME	% OF JUNE VOLUME	FY-75 VOLUME BASED ON % JUNE VOLUME	AVERAGE MONTHLY VOLUME	FY-75 PRORATED COST INCLUDING SUPPLIES	COPIER USED PRIOR TO COPY CENTER	MONTHLY RENTAL COST	ANNUAL COST INCLUDING SUPPLIES	COST DIFFERENCE DUE TO COPY CENTER
ISAS/RCB IRS	23,911	37%	204,193	17,016	\$ 6,183	Xerox 3100 Xerox 4000	\$ 135 461	\$ 1,849 6,307	- \$ 1,973
OJCS	24,927	39%	215,230	17,935	6,517	Xerox 2400	636	8,848	- 492
DDO/FR	1,987	3%	16,556	1,379	501				
OL/HEB	3,243	5%	27,593	2,299	837				
OTHERS	1,806	3%	16,556	1,379	501				
CRS	5,147	8%	44,150	3,679	1,336	Owned Xerox 813	39	671	+ 665
SALT	3,431	5%	27,594	2,299	837	Xerox 4000	240	3,009	- 2,172
			551,873		\$16,712			\$20,684	- \$3,972
Cost per copy in Copy Center					.0302				
Cost if existing equipment used					.0374				